

**This order is SIGNED.**

**Dated: July 19, 2018**



**R. KIMBALL MOSIER**  
**U.S. Bankruptcy Judge**



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*Prepared and Submitted by:*

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*Proposed Counsel for the Debtor in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF UTAH  
CENTRAL DIVISION**

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In re:

**THE FALLS EVENT CENTER LLC**, a  
Utah limited liability company,

Address: 9067 S 1300 W, #301  
West Jordan, UT 84088,

Tax I.D. No. 90-1023989,

Debtor in Possession.

Bankruptcy Case No. 18-25116

Chapter 11

Honorable Kimball Mosier

[Filed Electronically]

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**ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL PURSUANT TO  
DEBTOR'S EMERGENCY MOTION FOR ORDER AUTHORIZING USE OF  
CASH COLLATERAL AND PROVISION OF ADEQUATE PROTECTION AND  
SETTING A FINAL HEARING ON THE DEBTOR'S MOTION**

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On July 16, 2018, the *Debtor's Emergency Motion for Order Authorizing Use of Cash Collateral and Provision of Adequate Protection* (the “**Motion**”) filed by Debtor The Falls Event Center LLC, a Utah limited liability company (the “**Debtor**”), the debtor in the above-captioned Chapter 11 case, came on for hearing. Appearances were made as noted on the record at the hearing, and it appearing from the Motion and the evidence presented on the record at the hearing that:

A. GTR Source LLC (“**GSL**”) claims a perfected security interest in collateral (the “**Collateral**”) as described in the Merchant Agreement dated May 1, 2018 (the “**GSL Agreement**”), pursuant to the GSL Agreement and the UCC Financing Statement filed with the Utah Division of Corporations and Commercial Code on January 24, 2018, File No. 535710201828 (the “**GSL UCC Filing**”), and GSL also claims a perfected security interest in cash collateral consisting of the property identified in 11 U.S.C. § 363(a) (the “**Cash Collateral**”); and

B. Richmond Capital Group LLC (“**RCG**”) also claims a perfected security interest in the Collateral as described in the Merchant Agreement dated May 1, 2018 (the “**RCG Agreement**”), pursuant to the GSL Agreement, and RCG also claims a perfected security interest in the Cash Collateral; and

C. Richmond Funding (“**RMF**”) also claims a perfected security interest in some of the Collateral as described in the Secured Merchant Agreement dated May 1, 2018 (the “**RMF Agreement**”), pursuant to the RMF Agreement, and RMF also claims a perfected security interest in the Cash Collateral; and

D. It is necessary for the Debtor, in order to avoid immediate and irreparable harm to the Debtor's Chapter 11 estate pending a final hearing, to use the Cash Collateral to meet day to

day business expenses as shown in the budget attached to the Motion as **Exhibit A** (the “**Budget**”).

NOW, THEREFORE, after considering the argument and evidence presented at the hearing, and good cause appearing, and no further notice being necessary, it is hereby ORDERED:

1. The Debtor is authorized, on an interim basis, to use the Cash Collateral, during the period commencing on the date hereof and continuing to and including August 2, 2018 (the “**Interim Use Period**”) in an aggregate amount not to exceed the total stated as of that date in the Budget, such Cash Collateral to be used solely for the payment of expenses incurred in the ordinary course of the Debtor’s business and operations as set forth in the Budget (provided, however, that the expenses shown in the Budget, if any, for professional fees shall accrue but shall not be paid with Cash Collateral during the Interim Use Period);

2. As adequate protection for the Debtor’s use of the Cash Collateral, and for any resulting diminution (if any) in the value of the interests of GSL, RCG, and RMF in the Collateral, GSL, RCG and RMF are hereby granted, pursuant to Section 361 of the Bankruptcy Code, a replacement lien on all post-petition Collateral of the same types such respective creditors had under the respective GSL Agreement, RCG Agreement, and RMF Agreement, with such replacement liens to have the same perfection status and priority as existed prior to the Petition Date.

3. The Debtor has reserved the right to dispute that GSL, RCG, and RMF have undisputed collateral rights in the Collateral and the Cash Collateral that have been properly perfected.

4. A final hearing on the Debtor's Motion shall be held on August 1, 2018, at 1:00 p.m.

5. Failure to appear at the preliminary hearing does not bar a party from filing an objection to the Debtor's Motion. All objections to the Debtor's Motion must be filed by **Monday, July 30, 2018.**

-----END OF ORDER-----

1459259

**CERTIFICATE OF SERVICE**

I hereby certify that on the 19<sup>th</sup> day of July 2018, I electronically filed the foregoing proposed *Order Authorizing Interim Use of Cash Collateral pursuant to Debtor's Emergency Motion for Order Authorizing use of Cash Collateral and Provision of Adequate Protection* with the United States Bankruptcy Court for the District of Utah by using the CM/ECF system. I further certify that the parties of record in this case, as identified below are registered CM/ECF users and will be served through the CM/ECF system:

- **Laurie A. Cayton tr** laurie.cayton@usdoj.gov, James.Gee@usdoj.gov;Lindsey.Huston@usdoj.gov;Suzanne.Verhaal@usdoj.gov
- **Michael R. Johnson** mjohnson@rqn.com, docket@rqn.com;dburton@rqn.com
- **United States Trustee** USTPRegion19.SK.ECF@usdoj.gov
- **Brent D. Wride** bwride@rqn.com, docket@rqn.com;pbrown@rqn.com

I further certify that on the 19<sup>th</sup> day of July 2018, a copy of the proposed *Order Authorizing Interim Use of Cash Collateral pursuant to Debtor's Emergency Motion for Order Authorizing use of Cash Collateral and Provision of Adequate Protection* was served via first class mail, postage prepaid, upon the following:

GTR Source LLC  
111 John Street, Ste. 1210  
New York, NY 10038

Richmond Capital Group, LLC  
111 John Street, Ste. 1210  
New York, NY 10038

Richmond Funding  
30 Broad Street, 14<sup>th</sup> Floor, Suite 14108  
New York, NY 10004

/s/ Carrie Hurst

**DESIGNATION OF PARTIES TO BE SERVED**

Service of the foregoing *Order Authorizing Interim Use of Cash Collateral pursuant to Debtor's Emergency Motion for Order Authorizing use of Cash Collateral and Provision of Adequate Protection* (the "Order") should be served on the persons in the manner designated below:

**By electronic service:** I certify that the parties of record in this case as identified immediately below are registered CM/ECF users and will be served notice of entry of the foregoing Order through the CM/ECF system:

- **Laurie A. Cayton tr** laurie.cayton@usdoj.gov, James.Gee@usdoj.gov; Lindsey.Huston@usdoj.gov; Suzanne.Verhaal@usdoj.gov
- **Michael R. Johnson** mjohnson@rqn.com, docket@rqn.com; dburton@rqn.com
- **United States Trustee** USTPRegion19.SK.ECF@usdoj.gov
- **Brent D. Wride** bwride@rqn.com, docket@rqn.com; pbrown@rqn.com

**By U.S. Mail** – In addition to the foregoing persons of record receiving notice of the entry of the Order through the CM/ECF system, the following person(s) should be served with a copy of the Order by U.S. Mail pursuant to Fed R. Civ. P. 5(b).

GTR Source LLC  
111 John Street, Ste. 1210  
New York, NY 10038

Richmond Capital Group, LLC  
111 John Street, Ste. 1210  
New York, NY 10038

Richmond Funding  
30 Broad Street, 14<sup>th</sup> Floor, Suite 14108  
New York, NY 10004